

286.8-030 Transaction of business prohibited without license -- Effect of issuance of license.

- (1)
 - (a) It is unlawful for any person to transact business in this state, either directly or indirectly, as a mortgage loan company or mortgage loan broker if he is not licensed under this subtitle and registered in accordance with KRS 286.8-255, unless that person is exempt under KRS 286.8-020 and, if required by KRS 286.8-020(3) to file a claim of exemption, has filed a claim of exemption and the filed claim of exemption has been allowed by the executive director.
 - (b) It is unlawful for any natural person to make a loan under KRS 286.8-020(2)(c) without making the disclosure required by KRS 286.8-020(7).
 - (c) It is unlawful for any loan officer, unless otherwise exempted, to originate mortgage loans in Kentucky if the loan officer is not registered in accordance with KRS 286.8-255.
- (2) Neither the fact that a license has been issued nor the fact that any person, business, or company is effectively registered, constitutes a finding by the executive director that any document filed under this subtitle is true, complete, and not misleading. Nor does such fact directly or indirectly imply approval of the registrant by the executive director or the Commonwealth of Kentucky. It is unlawful to make or cause to be made to any prospective customer or client any representation inconsistent with this subsection.
- (3) Any person who willfully transacts business in this state in violation of subsection (1) of this section shall have no right to collect, receive, or retain any interest or charges whatsoever on a loan contract, but the unpaid principal of the loan shall be paid in full.

Effective: July 12, 2006

History: Amended 2006 Ky. Acts ch. 218, sec. 11, effective July 12, 2006. -- Amended 2003 Ky. Acts ch. 64, sec. 3, effective June 24, 2003. -- Amended 2001 Ky. Acts ch. 98, sec. 2, effective June 21, 2001. -- Amended 1986 Ky. Acts ch. 461, sec. 3, effective July 15, 1986. -- Created 1980 Ky. Acts ch. 365, sec. 4, effective July 15, 1980.

Formerly codified as KRS 294.030.

Legislative Research Commission Note (7/12/2006). This section was amended in 2006 Ky. Acts ch. 218. In that same session, 2006 Ky. Acts ch. 247, sec. 38, required that all sections of KRS Chapters 287, 288, 290, 291, 294, 366, 366A, and 368 be renumbered as sections of a single KRS chapter entitled the "Kentucky Financial Services Code." Therefore, the Statute Reviser, acting under KRS 7.136(1), has changed the number of this section and codified it as a section of KRS Chapter 286. In addition, KRS references have been adjusted to conform with the renumbering.

Legislative Research Commission Note (6/20/2005). 2005 Ky. Acts chs. 11, 85, 95, 97, 98, 99, 123, and 181 instruct the Reviser of Statutes to correct statutory references to agencies and officers whose names have been changed in 2005 legislation confirming the reorganization of the executive branch. Such a correction has been made in this section.